

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:2769

ANSWERED ON:21.08.2006

KICKBACKS IN WHEAT IMPORT .

Aaron Rashid Shri J.M.;Bhadana Shri Avtar Singh;Pathak Shri Brajesh;Sajjan Kumar Shri ;Singh Shri Chandrabhan Bhaiya

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether huge quantity of wheat was imported from the Australian Wheat Board (AWB) in 1998;
- (b) if so, the details and reasons therefor indicating the quantum and price of said imports;
- (c) if so, whether any allegation of irregularities and payment of commission in the said deal were received by the Government;
- (d) if so, whether any enquiry was conducted in this case;
- (e) if so, the outcome thereof;
- (f) whether any reports of investigation by the Australian police in this alleged pay off has been received recently;
- (g) if so, the details thereof; and
- (h) the follow-up action taken by the Government for conducting further investigation in the said case?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) & (b): Yes, Sir. On 26.2.1998, a contract was executed for import of 15.00 lakh MT wheat from Australia @ US\$ 142.50 per MT on FOB basis. Against this, 14.15 lakh MT wheat was received from Australia during the year 1998-99.

The Government decided to import wheat to augment its wheat availability in the country, for keeping the prices under control.

(c), (d) & (e): The CBI registered a Preliminary Inquiry on the allegations that certain officials of the Govt. of India had committed acts of omission and commission in the procurement of 2 million MTs of wheat from the Australian Wheat Board. The inquiry could not make significant headway as the AWB official declined to share information in this regard. The preliminary inquiry was converted into a Regular Criminal case. A Letter Rogatory was sent to the Australian Government to ascertain whether any Commission or other illegal gratification had been paid to any public servant in India or any of his family members. The Australian authorities did not furnish required information despite repeated requests by the CBI. Therefore for want of conclusive evidence the CBI filed a closure report, which was accepted on 17.01.04.

(f) & (g): There are media reports in Australia and India that the AWB was in possession of documentary evidence in October 2001 regarding payment of US \$ 2.5 millions to an unnamed account in Cayman Island in respect of this deal. This information had already been sought in the Letter Rogatory dated 28.2.2002 of the CBI but the Australian authorities did not respond on this crucial aspect.

(h): The CBI has conveyed vide its letter dated 5.6.2006 to the Indian High Commission in Australia that if the Australian authorities co-operate even at this belated stage and furnish the necessary evidence including authenticated copies of relevant documents to the CBI, the CBI would promptly examine reopening of the investigation and take the matter to its logical conclusion.